



To: Section Chairs, Chair-Elects, and Treasurers

From: Tiffany Lynch, Controller

Re: FY 2017 Section Per-Member Charge

Date: June 20, 2016

---

The Section Per-Member Charge is calculated as part of the WSBA annual budget process. It is based on the first draft of the budget for costs of the administrative support to WSBA Section leaders and executive committees for the upcoming fiscal year as reflected in the Sections Administration cost center. These costs include: (1) salaries and benefits, (2) overhead, and (3) direct expenses.

***The Budget and Audit Committee of the Board of Governors reviewed the first draft FY 2017 Budget on June 15, 2016. As detailed below, the Per-Member Charge calculation would be \$20.58 based on the first draft FY2017 budget. However, the Committee unanimously agreed not to increase the Per-Member Charge. The FY 2017 Per-Member Charge will remain at its current rate of \$18.75.***

## FY2017 PER-MEMBER CHARGE CALCULATION

### 1. **SALARIES AND BENEFITS**

The Per-Member charge includes the salaries and benefits of all staff that directly support Sections. *It does not include any staffing costs for mini-CLEs, Section membership dues processing, or any other work performed by WSBA staff in support of Sections.* Benefits are calculated as a percentage of total salaries. The percentage is derived from the WSBA's total salaries and benefits budget for the fiscal year. Items included in employee benefits are employer federal taxes and insurance, medical coverage, retirement plan contributions, employee bus passes, and employee service awards and assistance plan.

<b>Direct Staff Support</b>	<b>Full Time Equivalent (FTE)</b>
• Sections Administration Staff	3.0
• Administrative Staff Time <sup>1</sup>	0.1
<b>Total FTE</b>	<b>3.1</b>
• Salaries for 3.1 FTEs	\$198,034
• Benefits (33.6% of estimated salaries)	\$66,539

<b>Total FY17 Salaries and Benefits Budgeted for Sections</b>	<b>\$264,573</b>
---	------------------

---

<sup>1</sup> Includes cost of staff time for processing accounts payable arising from section activities.

## 2. OVERHEAD

This charge includes expenses related to general operations attributable to all WSBA employees. Overhead cost is calculated based on a per-FTE dollar amount, which is derived by taking the total cost of overhead divided by the total number of WSBA FTEs. This generates a per-FTE cost, which is multiplied by the total number of FTEs allocated to Sections. Overhead costs in the first draft FY 17 budget consist of:

<b>Overhead Category</b>	<b>Cost</b>
• Rent	\$1,645,000
• Furniture, Maintenance & Leasehold Improvements	38,000
• Office Supplies & Equipment	53,000
• Computer Software Depreciation	89,000
• Telephone & Internet	38,000
• Production Services	25,000
• Workplace Benefits	42,000
• HR Expenses	126,656
• Personal Property Taxes	12,500
• Furniture & Equipment Depreciation	79,000
• Computer Hardware Depreciation	63,000
• Insurance	105,000
• Professional Fees-Audit	31,000
• Bank Fees	35,400
• Information Technology Department Expenses	723,610
<b>Total Overhead Budgeted for FY17</b>	<b>\$3,106,166</b>
• Estimated total WSBA FTEs for FY 2017 = 141.9	
• Overhead per FTE = \$3,106,166/141.9 = \$21,890	

**Total Estimated FY17 overhead<sup>2</sup> to be charged to Sections (\$21,890 x 3.10 FTEs) = \$67,859**

## 3. DIRECT EXPENSES

These are non-staff related costs of administering Sections, and include:

- Dues Statements (paper, postage, and printing of annual Section membership dues statements)
- Section Meetings Expenses (Fall & Spring Section Leaders meeting costs for food, supplies, and conference calls)
- Staff Travel (costs for Sections staff to attend Executive Committee meetings and other Section events)

**Direct expenses budgeted for all Sections = \$12,100**

<sup>2</sup> Historically, there are small overhead differences between the first and final draft WSBA budgets.

**FY17 PER-MEMBER CHARGE CALCULATION BASED ON FIRST DRAFT FY2017 BUDGET**

1. Total Salaries and Benefits +	\$264,573
2. Total Overhead +	67,859
3. Direct Expenses =	<u>12,100</u>
<b>Total expenses for Sections Administration cost center</b>	<b>\$ 344,532</b>
<b>Estimated total # of section memberships for FY 2017 =</b>	<b>16,740 members</b>
<b>2017 Per-Member Charge: \$20.58/member</b>	

**FY 2017 SECTION BUDGETS**

*As a reminder, Section Budget Requests and Request to Change Dues are due on July 14<sup>th</sup>. You may make additional changes after the budget has been submitted until August 12<sup>th</sup>. Please email all budget documents to [sectionbudgets@wsba.org](mailto:sectionbudgets@wsba.org) or mail to Tigist Gameda at 1325 4<sup>th</sup> Avenue, Suite 600, Seattle WA 98101.*

If you have any questions about any of the information contained in this memo or need additional information, please feel free to contact Finance or your Section Leaders Team for assistance.

**Finance:**

Tigist Gameda      [tigistg@wsba.org](mailto:tigistg@wsba.org)      206-733-5900

**Sections Leaders Team:**

Paris Eriksen      [parise@wsba.org](mailto:parise@wsba.org)      206-239-2116

Julianne Unite      [julianneu@wsba.org](mailto:julianneu@wsba.org)      206-727-8250

Joe Terrenzio      [joet@wsba.org](mailto:joet@wsba.org)      206-733-5921